



BRIEFS

COLOMBO, July 18: The Sri Lanka government has awarded Italy's Fiat Avio a contract to build a 1.6 billion rupee (19 million dollar) gas turbine power generation plant, a government official said.

Fiat had been picked from among four other companies who bid for the project, media minister Dharmasena Se-nanayake said on Wednesday.

The power plant is expected to be completed by mid-1997, and will have a generation capacity of 80 to 220 megawatts, he added.

Facing a severe power crisis, the Sri Lankan government has encouraged foreign investment into the power sector, amid considerable opposition from trade unions.

BEIJING : China has stopped granting licences for new shipping companies and the expansion of existing ones to halt unbridled competition, the Xinhua News agency reported Thursday.

As of July 1, no passenger ships, vessels carrying liquid gas or chemicals and cargo ships with a capacity greater than 10,000 tons will be licensed without the approval of the Ministry of Communications, the state-run news agency said.

The ban and tightened control applies to both domestic and international shipping.

More regulations are likely. Xinhua said the ministry will investigate the shipping market to strengthen management.

Maritime shipping has been plagued with problems, such as an uncontrolled increase in handling capacity and chaotic competition, as some shippers recklessly pursue profit," Xinhua said.

By the end of last year, the ministry had approved 290 companies for international shipping, 1,300 for offshore transport and more than 5,100 for internal waterways.

TOKYO : Japan's Fujitsu Ltd and NEC Corp. are expecting much higher orders for supercomputers in the current fiscal year ending March 1997, helped by sales of innovative new supercomputers, company spokesmen said Thursday.

The new supercomputers cost about 500,000 dollars for a basic model, compared to starting prices of around five million dollars for standard supercomputers a few years ago, Fujitsu spokesman said.

Fujitsu hopes to sell a total of 140 supercomputers this fiscal year ending March 1997, twice as many as the year before, the Fujitsu spokesman said.

NEC is targeting 67 units to be sold this fiscal year compared to 41 sold the year before, an NEC spokesman said. The spokesman didn't provide total sales estimates in monetary terms. The new supercomputers use Complementary Metal Oxide Semiconductor technology, which consumes less electricity than chips used by traditional supercomputers, the Fujitsu spokesman said.

Daihatsu Motor Co. of Japan will export its domestically popular small reactional vehicle to Europe and Australia starting early next year, a company spokesman said Thursday.

Daihatsu has sold a total of 126,550 "Move" models during the 11-month since the company began selling it in Japan last August, Daihatsu spokesman Tomoya Kanamaru said.

Domestic sales during the period were twice as high as the original sales target, Kanamaru said. The model has an engine displacement of 660 cc.

Kanamaru said specific sales targets for each of the nations to which the vehicle will be exported are to be worked out later.

Daihatsu, based in Ikeda, western Japan, specializes in the manufacture of small cars and commercial vehicles. Toyota Motor Corp. is its largest stockholder.

JAKARTA : Merpati Nusantara Airlines plans to fly three flights a week between Jakarta and Melbourne, Australia's second most populous city, from August 6, the Jakarta Post reported on Thursday.

The newspaper quoted Merpati president Budiarto Subroto as saying the airline, which is mainly an internal carrier within Indonesia, had purchased a secondhand Airbus A310-300 for the new route.

Merpati also flies between Denpasar and Port Hedland in Western Australia state, and Kupang and Darwin, in the Northern Territory.

WELLINGTON : South Korea could become New Zealand's fourth-largest export destination this year, the head of the Korea-New Zealand Business Council said Thursday.

Chairman James Corke said at the council's annual meeting in Auckland that exports to South Korea grew by more than 10 per cent last year to more than one billion New Zealand dollars (690 million US dollars).

Imports were up from 322 million New Zealand dollars to (222 million US dollars) to 566 million New Zealand dollars (390 million US dollars).

— Source : AP

Peregrine prepares report on Bangladesh Capital market lacks in-depth maturity

by Rafiq Hasan

Despite promising performances over the last five to six months, the capital market in Bangladesh lacks in-depth maturity which is found in other established capital markets in the region, said a Hong Kong based investment bank report.

The Bank named Peregrine suggested the shifting of funds from banks, insurance companies and pension funds into the stock-markets for each new project undertaken instead of creating large holding companies, report observed.

Reviewing the activities of Dhaka Stock Exchange, the Peregrine report said, the DSE has only 17 companies with market capitalisation of more than 20 million US dollars, many of which have such small free floats that they do not trade very regularly.

Stock trading is based on historical performance and rumours rather than prospective multiples and ratio analysis, the report noted.

The bank hoped that this control might be liberalised in the next — one to two years.

Mounting other major constraints to liquidity in the country, the report criticised the existing company law.

EU farm chief proposes plan to stabilise beef market

BRUSSELS, July 18: The European Union's top agriculture official proposed a range of measures Wednesday to stabilise the EU's beef market, devastated by the recent scare over mad cow disease, reports AP.

EU Agriculture Commissioner Franz Fischler said his proposals were aimed at helping struggling beef producers and avoiding "massive" surpluses bought by the EU.

"We've got to bring things more into line with what the market is demanding," Fischler told a news conference after winning backing for his proposals from the rest of the European Commission, the EU executive body, in Strasbourg, France.

Fischler's plan must be approved by the 15 EU agriculture ministers, who plan to consider it at a meeting here Monday.

Smuggled Indian goods seized in Brahmanbaria

BRAHMANBARIA, July 18: Bangladesh Rifles seized smuggled Indian goods worth Taka 11 lakh from a Dhaka-bound intercity train near Marasain Railway station on July 5, reports UNB.

According to a delayed information, BDR Jawans of Aligarh border outpost recovered the contraband including 597 pieces of Indian sarees, 30 bottles of phenisidyl syrup and 750 gram ganja.

They also arrested two smugglers in this connection and handed over them to the railway police. All the goods were deposited with the Akhra Customs office.

Another report says: Three muggers were arrested while snatching away goods from the people in the area of Ashugan thana on July 7.

Police sources said two snatchers — Hira, Miah and Mubarak — were caught red handed from the spot while they were snatching one wrist watch and Taka 200 from two officials of Power Development Board.

Later, Belal, another accomplice of the miscreants, was also rounded up by police near Zia Fertilizer Factory while he was committing another hijacking.

Separate cases were filed with the police.

which penalises companies with subsidiaries through double taxation on the dividends issued by the subsidiaries.

As a result, larger industrial groups create fresh companies for each new project undertaken instead of creating large holding companies, report observed.

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The bank hoped that this control might be liberalised in the next — one to two years.

Mounting other major constraints to liquidity in the country, the report criticised the existing company law.

Describing the country's long-term prospect as "much brighter," the report said when the pending legislation permitting life insurance companies and pension funds to government securities.

Although the country suffers from a chronic trade deficit, the current account deficit has been kept in check.

As the country does not receive huge inflows of "hot money" it is very unlikely that a Mexico-style crisis will affect Bangladesh, the report commented.

invest in the equity market is passed, it will bring in fresh fund improve the overall liquidity and depth of the market.

Additional mutual funds are also expected to be launched in the next year which will also strengthen the market.

Regarding overall economic performance of the country, it observed that despite turbulent history Bangladesh has a very stable economy built on sound fundamentals.

The economy has grown at an average rate of over 4 per cent in the last five years.

The rate of inflation is fairly low compared to other countries in the region and Taka has been extremely stable.

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With the implementation of BMRE in October, 1995, the production of the factory increased from 1.34 crore to 2.60 crore square feet glass sheet.

The source said the factory is now fully competing in the market by reducing prices of its product.

The factory sold 1.76 crore square feet of glass sheet during the last fiscal year which was 96 lakh square feet more than that of the fiscal year of 1994-95, the source said.

Adding that the factory was able to reduce ten per cent of its production cost because of implementation of BMRE programme.

Osmania Glass achieves record production

CHITTAGONG, July 18: Osmania Glass Factory, an enterprise of Bangladesh Chemical Industries Corporation (BCIC), produced over two crore square feet of glass sheet during the last financial year.

An official source told BSS that the factory achieved record production during the same period with the implementation of balancing, modernisation, replacement and expansion (BMRE) programme with Taka 40 crore financial assistance of Belgian government.

With the implementation of BMRE in October, 1995, the production of the factory increased from 1.34 crore to 2.60 crore square feet glass sheet.

The source also claimed that with the massive production the factory is now fully competing in the market by reducing prices of its product.

The present government, he said, is accountable to the people for all its programmes and activities in every sector.

It will plan and conduct its economic programmes to ensure rights of the people.

SAMS Kibria emphasised establishing supportive mutual relation between the government and business community to help expand trade and commerce as well as develop industries sector in the coun-

All possible steps for foreign investment to be taken: Kibria

try.

Secretary of Internal Resources Division of the Ministry and Chairman of National Board of Revenue Dr Sadaat Hussein, president of the Federation of Bangladesh Chambers of Commerce and Industry Salim F Rahman and other chambers' leaders were present at the meeting.

IMF announces \$446m loan for Kazakhstan

WASHINGTON, July 18: The International Monetary Fund announced Wednesday a 446 million dollar credit for Kazakhstan to support the government's three-year economic reform programme, says AFP.

The first portion of the loan \$4 million dollars, was expected to be released later this year.

Kazakhstan has already begun to implement market reforms with IMF support.

The plan aims to reduce inflation from 60 per cent in 1995 to 26 per cent this year.

Fazle Rabbi, the company's Director-in-Charge, answered various questions from the shareholders.

He also explained a number of measures that the company has initiated to increase its efficiency, including modernisation and installation of new equipment.

The meeting held at a local hotel was also attended by Syed Tareque Mohammad Ali, Syeda Husna Rabi and Syeda Japan Mohsen, all members of the Board of Directors.

Modern Industries announces 8 pc dividend

Modern Industries (Bangladesh) Ltd., a company owning cold storage for potatoes, yesterday announced a dividend on eight per cent among its shareholders for the year 1995, reports UNB.

The dividend was announced at the company's 29th annual general meeting, presided over by Syeda Firdaus Naseem, chairperson of the organisation's Board of Directors.

In its annual report for 1995, the company said its capital increased by 66.67 per cent by virtue of Right Shares issued at 32.

Managing Director Syed Mohsen Ali said the storage capacity of the cold storage is now 5,000 metric tons, an increase by 500 tons a year.

He said the company was awarded with Bangladesh Shilpa Bank Crest for timely repayment of the loans borrowed from the BSB. This was one of the 12 Bangladeshi companies to get the award.

Syed Mohsen, a veteran industrialist in the country, assured the shareholders that his company will gear up its activities to ensure more dividend to them in future.

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Plastics waste management emerging as industry in India

NEW DELHI, July 18: Plastics waste management is emerging as an industry in India with materials valued at around twenty five thousand crore rupees recycled annually, reports BSS.

With the increased use of plastics in packaging, consumer durables and disposables industrial, medical and health care, building and construction, plastics as a group of materials have established themselves as an unavoidable part of Indian life, United News of India (UNI) said.

With the expected consumption of virgin plastics ranging between three to five million tonnes by the year 2001, the waste generated would vary between one to two million tonnes every year, the report said, quoting Deputy Chief of Building Materials and Technology Promotion Council O.P. Ratra.

Meanwhile, the prevailing method of recycling plastics waste in India has become a matter of concern as the environmentalists feel the technologies used for the purpose are not environment-friendly.

A total of one million people are engaged in the management of plastic waste in the country. More than one thousand tonnes of plastics wastes are received for sale to re-processors in plastic waste collection centres in different places daily.

He favoured an environment-friendly technology for recycling plastics waste through collective efforts.

Global information security market to double by 2000

SAN JOSE, California, July 18: The global market to protect computer data will double by 2000 as the Internet becomes as common in businesses as in homes, according to Dataquest, a computer market research company, reports AFP.

The security market will expand to 13.1 billion dollars in 2000, up from 5.2 billion dollars in 1995, the San Jose, California-based global company said in a study published Tuesday.

Right now, many companies are only scratching the surface of the Internet's capabilities.

As the pioneers begin to demonstrate the vast improvements the Internet offers in efficiency and cost effectiveness in areas like personal finance, data delivery, and order processing, we expect the demand for security hardware and software will explode," said Allen Weiner, Director and Principal Analyst of Dataquest's Online Strategies programme.

Encryption software will play a prime role in the development of communications, remote access, and electronic commerce on the Internet, which is forecast to experience its greatest growth in 1996 and 1997, according to the study.

The information security market will undergo strong growth and approach nearly six billion dollars this year.

AS/400 training package workshop concludes

AS/400 Training Package Workshop, the first such training package workshop to be held in Bangladesh, came to an end at the IBM Education Centre, Mohakhali, yesterday, says a press release.

It marks the first occasion that IBM World Trade Corporation, Bangladesh Branch, has arranged for such a package training with trainees from abroad to develop the skills of their AS/400 customers.

The course started on July 2. The participants came from the various organisations in Bangladesh who have bought AS/400 recently. At the conclusion of the course, the participants formed the "AS/400 User Club" — the first of its kind in Bangladesh.

Keskar had pitched the Boeing 777 as a better alternative, saying many airlines including United, Singapore Airlines, Malaysian Airlines, Cathay Pacific and Korean Air had opted for it instead of the Airbus models.

It boasted 30 more seats than the Airbus planes, he said.